

COMPANIES VIE TO HARNESS NORRIS HILL WIND POTENTIAL

By Jodi Hausen

If the winds blow the right way, three developers might soon create electrical generation facilities in the Norris Hill area to harness its powers.

One of those developers, Madison Valley Renewable Energy LLC, was recently chosen by Montana to use state school trust lands in Madison County for a wind power project, in exchange for a percentage of its gross revenues, said Mike Sullivan, a property management section supervisor with the state Department of Natural Resources and Conservation.

School trust lands, of which there are about 5 million acres in surface lands and more than 6 million in subsurface acres in Montana, are leased in a variety of ways to raise money for public schools. Sullivan oversees commercial leases of the trust lands, which is the smallest yet highest revenue-generating section, he said Wednesday. Other sections provide leases to farmers, ranchers, mineral prospectors and timber harvesters.

The agreement with the state provides the energy company with 4,000 acres in exchange for 3.1 percent of the wind farm's electrical generation revenues, Sullivan said.

A wind power facility at Judith Gap in central Montana was built on school trust lands and has been in operation since late 2005, Sullivan said. They paid \$50,000 in lease fees to the state for the lease year ending February 2007. Sullivan anticipates a similar windfall from the project for the most recent year.

"Our job is to generate revenue for the school trust," he said.

Madison Valley Renewable Energy hopes its project, currently slated to encompass 14,000 acres of state and private grazing and agricultural land, will not only generate revenue but also about 150 megawatts of electricity. Shylea Wingard, the energy company's Madison Valley coordinator, said the company has secured first priority transmission capacity from NorthWestern Energy but, should the project materialize, they will have the option to sell power to private electric customers in Montana or to West Coast markets.

Three developers are working to provide wind power from the Norris area - Madison Valley Renewable Energy, Coyote Energy and Sagebrush Energy. All have received permits to build temporary towers with anemometers to measure the winds and

determine the feasibility for the projects in specific locations, Madison County Commission Chair Dave Schulz said Wednesday. Most, if not all, of the towers exceed the county's ordained 100-foot height limit but commissioners granted variances to allow for them.

Madison Valley's four towers were approved at 191 feet, Schulz said. If and when wind turbines are proposed, developers will need to go through another planning process.

"Certainly with the national issue of alternative energy, I'm encouraged that we have entities willing to look at natural, renewable resources," Schulz said. "There's a lot of opinion in favor and in opposition to wind power. I look forward to dialoguing these issues as we move forward."

Lester Brown, a Los Angeles-based attorney and the principal for Madison Valley Renewable Energy, said Wednesday that he and his family attended the Ennis Fourth of July parade and rodeo in 2006 while visiting friends in Big Sky.

"We just completely fell in love with it," he said of the region.

Brown, formerly a staff member on the U.S. House of Representatives Committee on Energy and Commerce, said he wanted to combine his interest in reducing greenhouse gases and cut down dependence on foreign oil while helping local ranchers, some of whom are struggling to remain on their land because they are being priced out by wealthier property investors.

"It's something we can all work together to do," Brown said. "It's very important to me that this is a joint project with the community. At the end of the day, it's going to be a real plus for everybody."